

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0321-03
Bill No.: Perfected SCS for SB 117
Subject: Motor Vehicles; Licenses-Motor Vehicles; Revenue Dept.
Type: Original
Date: February 25, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway Fund	(\$4,501)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(\$4,501)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Public Safety- Missouri State Highway Patrol** assume this proposal would not have fiscal impact on their agency.

Officials with the **Department of Revenue (DOR)** assume that the section of this proposal dealing in biennial registration for the Driveway plates could have fiscal impact on their agency. The biennial registration could cause a shift in the current fee income by increasing the amounts for FY04 by 50% and decreasing the amounts in FY 05 by 50%. No additional income is anticipated, only a shift in collections.

DOR further assumes their agency could incur cost for programming, procedural changes and storage at the State Data Center.

FY 04 Cost

Procedural changes and mailings	\$530
Programming Salaries	\$2,971
Storage	<u>\$1,000</u>
Total	\$4,501

ASSUMPTION (continued)

Officials with the **Department of Transportation (MoDOT)** assume the fiscal impact of the proposal cannot be easily quantified. MoDOT states that this legislation might permit some persons to license their vehicles at a reduced rate. The annual license fee for 'Driveaway' operation is \$44.50 and MoDOT assumes the broad language of the new provision could be interpreted to include almost any movement of a motor vehicle or trailer by a person other than a dealer over a public highway, as long as the vehicle is transported from one place to another. Therefore, under the proposed legislation, almost anyone could obtain a vehicle license for an annual fee of \$44.50. MoDOT anticipates that this proposed statutory change could have a significant negative impact on its revenue, although the amount cannot be easily quantified.

With information from the DOR, **Oversight** assumes that the language in this particular version of the proposal does not significantly broaden the definition of 'Driveaway'. Therefore, it is assumed that persons would not be eligible to license their vehicles at a reduced rate.

Officials with MoDOT further assume that the expansion of the operating radius for 'Land Improvement Contractor' plates from 25 to 50 miles could increase the number of persons purchasing the Contractor plates instead of the regular commercial plates. MoDOT assumes that this reduction could cause a decrease in monies deposited into the Highway Fund.

Officials with the DOR state that the current number of 'Land Improvement Contractor' plates are 158. **Oversight** assumes that changing the mile radius for these Contractor plates would not have a significant fiscal impact on the Highway Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Cost -Department of Revenue</u>			
Procedural revisions	(\$530)	\$0	\$0
Programming Salaries	(\$2,971)	\$0	\$0
Storage	<u>(\$1,000)</u>	<u>\$0</u>	<u>\$0</u>
<u>Total Cost-DOR</u>	<u>(\$4,501)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED EFFECT ON HIGHWAY FUND	<u>(\$4,501)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2004
(10 Mo.)

FY 2005

FY 2006

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal could have direct fiscal impact to small businesses. Those businesses that have 'Driveaway' plates could register on a biennial basis. Those businesses that have a 'Land Improvement Contractor' plate could have increased radius of operation.

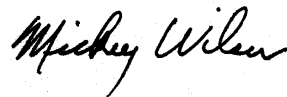
DESCRIPTION

This proposal changes the technical definition of 'Driveaway', provides for biennial registration of 'Driveaway' plates and increases the operating radius of the Contractor plates.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Department of Public Safety
Missouri State Highway Patrol



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Director
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